

**Remarks**

Claims 17-36 were pending in the Application. The Examiner rejected all the pending claims for the various reasons discussed below. The Applicant respectfully traverses the rejections. The independent pending claims are 17, 27 and 32.

Initially it is pointed out that the Applicant submitted IDSs and 1449s that were received by the Patent Office on 6/19/01 (references identified by AA-AG and BA), 8/7/01 (identified by AH-AL and BB-BC), 6/10/02 (identified by P01-P04), and 1/8/03 (identified as AM, BD-BG and CA-CB). In a review of the Office Actions, the Applicant notes that in an Office Action mailed 10/23/02 that the Examiner includes signed copies of the 6/19/01, 8/7/01 and 6/10/02 1449s but that the Examiner did not initial references identified as BA on the 6/19/01 1449 or BB-BC on the 8/7/01 1449. Moreover, on an Office Action mailed 3/28/03 the Examiner included a copy of the 1/8/03 1449 but it was not signed or initialed (note, the 3/28/03 Office Action was removed via a 4/11/03 interview summary). On an Office action mailed 10/29/03 the Examiner includes a signed copy of the 1/8/03 1449 but that the Examiner did not initial references identified as AM or CA-CB.

The Applicant would assume that the Examiner has considered all the references as they were provided to the Examiner and the Examiner did sign the 1449s. However, Applicant requests confirmation/clarification from the Examiner. That is, Applicant requests that the Examiner initial the references on the 1449s not initialed if they have been considered by the Examiner. If the references have not yet been considered, Applicant respectfully requests the Examiner consider the references and resubmit the appropriate 1449s with all references initialed. Copies of the 1449s as received in the Office Actions from the Examiner are included for the convenience of the Examiner.

**102 Rejections (paragraphs 4 and 5 of Office Action)**

The Examiner rejected claims 17-22, 27-29, 32, 33, 35 and 36 under 35 U.S.C. §102(e) as being anticipated by *Hendricks et al.* (U.S.P. 6,463,585). The Applicant points out that it is well

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settled that a reference may anticipate a claim within the purview of 35 U.S.C. §102 only if all the features and all the relationships recited in the claim are taught by the reference either by clear disclosure or under the principle of inherency (i.e., *W.L. Gore & Assocs. V. Garlock, Inc.*, 721 F.2d 1540, 220 USPQ 303, 313 (Fed. Cir. 1983); *Carella v. Starlight Archery*, 804 F.2d 135, 138, 231 USPQ 644, 646 (Fed. Cir.); *RCA Corp. v. Applied Digital Data Sys., Inc.*, 730 F.2d 1440, 1444, 221 USPQ 385, 388 (Fed. Cir. 1984); and *Lindermann Maschinenfabrik GmbH v. American Hoist & Derrick Co.*, 730 F.2d 1452, 221 USPQ 481, 485 (Fed. Cir. 1984)). Applicant submits that *Hendricks et al.* clearly do not teach (or suggest) all of the features and relationships recited in the claims as required for a *prima facie* case of anticipation under 35 U.S.C. §102. Accordingly, the rejections are respectfully traversed.

Independent claim 17 is directed to a method for delivering advertisements to subscribers in advance of presentation of the advertisements to the subscribers. The method includes transmitting advertisements to subscribers over an advertisement channel. The advertisements are transmitted at a bandwidth that is less than the bandwidth required to present the advertisements in real time. Accordingly the advertisements are transmitted in advance of presentation of the advertisements to the subscribers and are stored in a storage medium.

It is submitted that *Hendricks et al.* do not teach all the features and all the relationships recited in the claim by clear disclosure or under the principle of inherency. For example, *Hendricks et al.* do not teach or disclose that transmitting advertisements to subscribers at a bandwidth that is less than the bandwidth required to present the advertisements in real time, as required by claim 17.

The Examiner contends that *Hendricks et al.* disclose that advertisements are not delivered in real-time, do not require an additional feeder channel to continuously broadcast targeted ads, store ads on the STB, and require less bandwidth. The Examiner points to Figs. 32-34, col. 9, line 65 – col. 10, line 26, col. 73, lines 13-55, and col. 74, lines 4-16 for support.

Initially the Applicant points out that none of the sections identified by the Examiner disclose transmitting advertisements to subscribers at a bandwidth that is less than the bandwidth

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required to present the advertisements in real time, as required by claim 17. To the contrary, these sections simply disclose:

- Fig. 32 (and associated text at col. 72, lines 16-22) – the distribution of commercial channels at the different bandwidths;
- Fig. 33 (col. 73, lines 13-55) – hardware within a STB required for the multiple channel method of providing targeted ads were the STB tunes to a different channel during a commercial break;
- Fig. 34 (col. 73, lines 13-55) – hardware within a STB required for the multiple channel method of providing targeted ads were the STB tunes to a different channel during a commercial break and the channel is outside of the 6MHz bandwidth for the program;
- col. 9, line 65 – col. 10, line 26 (and associated Fig. 1) – delivery of program signals to the home (TV or STB); and
- col. 74, lines 4-16 – storage of targeted ads in the STB.

Clearly none of these passages teach or disclose that targeted ads are transmitted to subscribers at a bandwidth that is less than the bandwidth required to present the advertisements in real time, as required by claim 17. Moreover, Applicant submits that nowhere in *Hendricks et al.* is there such a disclosure. To the contrary, *Hendricks et al.* disclose delivering targeted advertising to subscribers in one of four methods: (1) multiple channel method, (2) storage method, (3) additional bandwidth method, and (4) split screen method (see col. 72, line 64 – col. 73, line 1).

The multiple channel method includes using a plurality of feeder channels to provide alternative advertisements to a subscriber for a particular program(s) and selecting a targeted advertisement from the alternative advertisements for the subscriber. The targeted advertisement is displayed to the subscriber by having the STB switch to the appropriate advertisement channel during the advertisement break (see col. 73, line 1 – col. 74, line 3). Clearly these ads are being transmitted in real time at the bandwidth that is necessary to display them in real time. Accordingly, the multiple channel method teaches away from delivering targeted ads to the STB

at a bandwidth that is less than the bandwidth required to present the advertisements in real time, as required by claim 17.

The storage method discloses that a certain number of targeted ads are stored in the STB and that ads selected for targeting are retrieved (see col. 74, lines 4-16). There is no disclosure of how the ads were delivered to and/or stored in the STB. The disclosure simply states that an additional feeder channel is not needed to continuously broadcast ads. Clearly there is no disclosure of the ads being delivered to the STB at a bandwidth that is less than the bandwidth required to present the advertisements in real time, as required by claim 17.

The additional bandwidth method includes selecting targeted advertisements for each subscriber and then transmitting the targeted advertisements directly to each subscriber (see col. 74, lines 17-32). *Hendicks et al.* disclose that this method requires a great deal of available bandwidth. Clearly there is no disclosure of the ads being delivered to the STB at a bandwidth that is less than the bandwidth required to present the advertisements in real time, as required by claim 17.

The split screen method includes multiple targeted advertisements being transmitted to a subscriber in a single channel. The STB selects the appropriate targeted advertisement and utilizes either masking or scaling to display the appropriate targeted advertisement. Clearly these ads are being transmitted in real time at the bandwidth that is necessary to display them in real time. Accordingly, the split screen method teaches away from delivering targeted ads to the STB at a bandwidth that is less than the bandwidth required to present the advertisements in real time, as required by claim 17.

For at least the reasons described above, *Hendicks et al.* do not teach all the features and all the relationships recited in claim 17 by clear disclosure. In fact, 3 of the 4 methods for transmitting targeted ads to the subscriber in *Hendicks et al.* (multiple channel method, additional bandwidth method, and split screen method) teach delivering and displaying the ads in real time, and accordingly teach away from the method recited in claim 17. Accordingly Applicant submits that the Examiner has failed to prove a prima facie case of anticipation by clear disclosure.

It is a well settled principle that for an element or relationship to be inherent that it must necessarily be present in the thing described in the reference and that it would be so recognized

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by persons of ordinary skill (i.e., *Continental Can Co. USA v. Monsanto Co.*, 948 F.2d 1264, 20 USPQ 2d 1749 (Fed. Cir. 1991); *In re Sun*, 31 USPQ 2d 1451, 1453 (Fed Cir. 1993)). Inherency may not be established by probabilities or possibilities. The mere fact that a certain thing may result from a given set of circumstances is not sufficient (i.e., *In re Oelrich*, 666 F.2d 578, 581, 212 USPQ 323, 326 (C.C.P.A. 1981)).

Applicant submits that the features that *Hendicks et al.* do not teach by clear disclosure are also not taught under the principle of inherency. That is, it is not inherent that in the only delivery method of *Hendicks et al.* that does not explicitly teach away from the claimed invention (the storage method) must transmit the ads to the STB at a bandwidth that is less than the bandwidth required to present the advertisements in real time, as required by claim 17. For example, among other things the targeted ads may have been pre-stored, may be delivered in real time for storage via a feeder channel or via other mechanisms, or may be loaded external from communications system described in *Hendicks et al.* (e.g., via CDs, separate dial up line, separate Internet connection). As transmitting the targeted ads at a bandwidth that is less than the bandwidth required to present the advertisements in real time is a mere possibility and is not necessarily present, the Examiner has failed to prove a prima facie case of anticipation under the principles of inherency.

For at least these reasons it is submitted that claim 17 is patentable over *Hendicks et al.* Claims 18-22 depend from claim 17 and are therefore submitted to be patentable over *Hendicks et al.* for at least the reasons described above with respect to claim 17 and for the further features recited therein. The rejection of claims 17-22 accordingly should be withdrawn.

Independent claim 27 is directed to a system for delivering advertisements to subscribers in advance of presentation of the advertisements to the subscribers. The system includes a transmitter for transmitting the advertisements to the subscribers over an advertisement channel, wherein the advertisements are transmitted at a bandwidth that is less than the bandwidth required to present the advertisements in real time, and are accordingly transmitted in advance of presentation of the advertisements to the subscribers. A storage medium stores the

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advertisements. A display device interface allows the advertisements to be presented to the subscribers.

It is submitted that *Hendricks et al.* do not teach all the features and all the relationships recited in the claim by clear disclosure or under the principle of inherency. For example, *Hendricks et al.* do not teach a transmitter transmitting advertisements in advance of presentation of the advertisements at a bandwidth that is less than the bandwidth required to present the advertisements in real time or a storage medium for storing the advertisements, as required by claim 27. It is submitted that claim 27 is patentable over *Hendricks et al.* for at least reasons similar to those described above with respect to claim 17 (e.g., that there is no teaching by clear disclosure or under the principle of inherency of the transmitter as recited in claim 27). Claims 28 and 29 depend from claim 27 and are therefore submitted to be patentable over *Hendricks et al.* for at least the reasons described above with respect to claim 27 and for the further features recited therein. Accordingly the rejection of claims 27-29 should be withdrawn.

Independent claim 32 is directed to a method for delivering advertisements to subscribers in advance of presentation of the advertisements to the subscribers. The method includes forming a subgroup of subscribers that share one or more common subscriber characteristics. Targeted advertisements are selected to be transmitted to the subgroup. The targeted advertisements are transmitted to the subgroup over an advertisement channel, wherein the targeted advertisements are transmitted in advance of presentation of the targeted advertisements to the subscribers. The targeted advertisements are stored in a storage medium.

It is submitted that *Hendricks et al.* do not teach all the features and all the relationships recited in the claim by clear disclosure or under the principle of inherency. For example, *Hendricks et al.* do not teach transmitting advertisements in advance of presentation of the advertisements, as required by claim 32. It is submitted that claim 32 is patentable over *Hendricks et al.* for at least reasons similar to those described above with respect to claim 17. Claims 33, 35 and 36 depend from claim 32 and are therefore submitted to be patentable over the cited references for at least the reasons described above with respect to claim 32 and for the

further features recited therein. Accordingly the rejection of claims 32, 33, 35 and 36 should be withdrawn.

**103 Rejections (paragraphs 6 and 7 of Office Action)**

The Examiner rejected claims 23-26, 30, 31, and 34 under 35 U.S.C. §103(a) as being unpatentable over *Hendricks et al.* in view of *Schoenblum et al.* (U.S. P. 6,418,122). The Applicant submits that neither *Hendricks et al.* nor *Schoenblum et al.*, whether taken alone or in combination with one another, disclose (or suggest) all of the features and relationships recited in the claims as required for a *prima facie* case of obviousness under 35 U.S.C. §103. Accordingly, the rejections are respectfully traversed.

Claims 23-26 depend from claim 17. Initially it is pointed out that the Examiner does not rely on *Schoenblum et al.* for disclosure of the elements of claim 17 that are delinquent from the teachings of *Hendricks et al.* (e.g., transmitting advertisements to subscribers at a bandwidth that is less than the bandwidth required to present the advertisements in real time). Moreover, Applicant submits that *Schoenblum et al.* do not teach or disclose the delinquencies of *Hendricks et al.* with regard to independent claim 17. Rather Applicant submits that the portions of *Schoenblum et al.* relied on by the Examiner simply disclose the operation of a statistical multiplexer that enables a plurality of programs compressed according to an MPEG standard to each have a vary bit rate over time and be transmitted within a single 6 MHz channel (digital transmission), which clearly is not a teaching or disclosure of the delinquencies of *Hendricks et al.* with regard to independent claim 17.

Furthermore, the Examiner has not provided sufficient motivation to combine the references. Additionally, even assuming *arguendo* that there was motivation to combine the references, the combination of the teachings of *Schoenblum et al.* to the teachings of *Hendricks et al.* would not result in the claimed invention, as there would no teaching, disclosure, or suggestion of transmitting advertisements to subscribers at a bandwidth that is less than the bandwidth required to present the advertisements in real time, as required by claim 17 and those that depend therefrom (such as claims 23-26). In fact, Applicant submits that *Hendricks et al.*

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already discloses digital transmission of programming as is disclosed in *Schoenblum et al.* so that combining references would not result in any change in what *Hendricks et al.* already discloses.

For at least these reasons, the Applicant respectfully submits that the Examiner has not meet the criteria for establishing a prima facie case of obviousness with regard to independent claim 17 or those that depend therefrom. Accordingly, the Applicant respectfully submits that claims 23-26 are clearly patentable over the cited references, whether taken alone or in combination with one another, for the reasons discussed above with respect to claim 17 and for the further features recited therein. The rejection of claims 23-26 accordingly should be withdrawn.

Claims 30, 31 depend from claim 27. Initially it is pointed out that the Examiner does not rely on *Schoenblum et al.* for disclosure of the elements of claim 27 that are delinquent from the teachings of *Hendricks et al.* (e.g., a transmitter transmitting advertisements in advance of presentation of the advertisements). Moreover, Applicant submits that *Schoenblum et al.* do not teach or disclose the delinquencies of *Hendricks et al.* with regard to independent claim 27. Rather Applicant submits that *Schoenblum et al.* simply disclose the operation of a statistical multiplexer (digital transmission), which clearly is not a teaching or disclosure of the delinquencies of *Hendricks et al.* with regard to independent claim 27. Furthermore, the Examiner has not provided sufficient motivation to combine the references. Additionally, even assuming arguendo that there was motivation to combine the references, the combination of the teachings of *Schoenblum et al.* to the teachings of *Hendricks et al.* would not result in the claimed invention, as there would no teaching, disclosure, or suggestion of the transmitter recited in claim 27. In fact, Applicant submits that *Hendricks et al.* already discloses digital transmission of programming as is disclosed in *Schoenblum et al.* so that combining references would not result in any change in what *Hendricks et al.* already discloses.

For at least these reasons, the Applicant respectfully submits that the Examiner has not meet the criteria for establishing a prima facie case of obviousness with regard to independent claim 27 or claims 30 and 31 that depend therefrom. Applicant respectfully submits that claims 30 and 31 are clearly patentable over the cited references, whether taken alone or in combination

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with one another, for at least the reasons advanced above with respect to claim 27 and for the further features recited therein. Accordingly, the rejection of claims 30 and 31 should be withdrawn.

Claim 34 depends from claim 32. Initially it is pointed out that the Examiner does not rely on *Schoenblum et al.* for disclosure of the elements of claim 32 that are delinquent from the teachings of *Hendricks et al.* (e.g., transmitting advertisements in advance of presentation of the advertisements). Moreover, Applicant submits that *Schoenblum et al.* do not teach or disclose the delinquencies of *Hendricks et al.* with regard to independent claim 32. Rather Applicant submits that *Schoenblum et al.* simply disclose the operation of a statistical multiplexer (digital transmission), which *Hendricks et al.* already discloses. Furthermore, the Examiner has not provided sufficient motivation to combine the references. Additionally, even assuming *arguendo* that there was motivation to combine the references, the combination of the teachings would not result in any change to what *Hendricks et al.* already discloses (would not result in the invention as recited in claim 32).

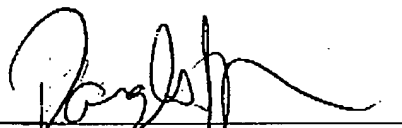
For at least these reasons, the Applicant submits that the Examiner has not meet the criteria for establishing a *prima facie* case of obviousness for independent claim 32 or dependent claim 34. Applicant respectfully submits that claim 34 is clearly patentable over the cited references, whether taken alone or in combination with one another, for at least the reasons advanced above with respect to claim 32 and for the further features recited therein. Accordingly, the rejection of claim 34 should be withdrawn.

**Conclusion**

For the foregoing reasons, Applicant respectfully submits that claims 17-36 are in condition for allowance. Accordingly, early allowance of claims 17-36 is earnestly solicited.

If the Examiner believes that a conference would be of value in expediting the prosecution of this Application, the Examiner is hereby invited to contact the undersigned attorney to set up such a conference.

Respectfully submitted,



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